

UPD CONSTRUCTION FUND

PROGRAM OVERVIEW

The Urban Planned Development (UPD) Construction Fund was created in 2000 to account for construction activities related specifically to the Redmond Ridge Urban Planned Development. Revenues for this fund include depreciation transfers from the UPD Operations and Maintenance Fund and utility connection fees. Per City policy, construction and operating activities in support of the UPDs are accounted for separately and apart from the City's Water/Wastewater operation and capital activities.

Because the infrastructure for the UPD utility is relatively new, the construction fund is anticipated to accumulate a significant balance over the next several years before any substantial repair/replacement expenses are incurred.

BUDGET OVERVIEW

REVENUES

	2001-2002 Actual	2003-2004 Budget	2003-2004 Estimate	2005-2006 Budget
Beginning fund balance	\$365,879	\$1,150,845	\$49,469	\$2,382,075
Transfer from operations	288,094	1,422,386	2,339,096	2,256,773
RCFC Revenue ¹	0	500,000	0	0
Investment Interest	116,612	146,470	52,244	112,318
Connection Fees	369,702	0	0	0
TOTAL REVENUES	\$1,140,287	\$3,219,701	\$2,440,809	\$4,751,166

EXPENDITURES

	2001-2002 Actual	2003-2004 Budget	2003-2004 Estimate	2005-2006 Budget
Capital Projects	\$79,374	\$80,950	\$58,734	\$150,000
RCFC Pass-thru to CWA ¹	0	500,000	0	0
Ending fund balance	0	2,638,751	0	4,601,166
TOTAL EXPENDITURES	\$79,374	\$3,219,701	\$58,734	\$4,751,166

1. The City purchases water from the Cascade Water Alliance (CWA). Individuals requesting a new water meter pay a regional capital facility charge (RCFC) to the CWA. The City collects RCFC revenues on behalf of the CWA. Prior to 2004, RCFCs were budgeted in the UPD Capital Investment Program fund. Starting in 2004, RCFCs were accounted for in the UPD operating fund, reflecting a change in City accounting practices. As a result, \$1.2M and \$1.0M in RCFC revenues for 2003/04 and 2005/06, respectively, are included in the UPD operating fund. The figures in the table on the previous page reflect this change.